



InPayTech

Integrated Payment Technologies Limited

ACN. 611 202 414

ASX Code IP1(one)



Quarterly Report - 31 January 2020

Sydney, Friday 31 January 2020

ClickSuper

ClickSuper continues to build its integrated payroll network with the following customers: Australian Computer Solutions, Business in Your Pocket, Easy Payslip, Shoebooks and Texopro, that are connecting with ClickSuper to provide SuperStream, Single Touch Payroll (STP) and payment solutions for their customers.

To address pent up market demand, ClickSuper is planning to release a small and medium business focused "*Pay Today*" solution for salaries and wages.

It is expected that *Pay Today* will enable existing and new payroll customers to provide a complete solution for their small and medium business customers. It is proposed that the service will automate the disbursement of salaries and wages removing manual handling to replace the antiquated file export and upload process used by most small and medium businesses to pay salaries and wages today, offering enhanced security to employee data sharing.

The proposed *Pay Today* service will effectively extend ClickSuper's "Complete Compliance and Payment Solution" (CCPS) from enterprise and government customers to small and medium business customers - i.e. ClickSuper's CCPS will be inclusive of superannuation, salaries, wages and all employee deductions, including for example lease payments, social club and union fees. This service is expected to be available for all payrolls and all payroll customers via ClickSuper by mid 2020.

This enhancement will effectively triple ClickSuper's total addressable market for its most popular solution and is expected to deliver greater value, enhanced security and convenience for our payroll customers and their customers in small and medium business.

PayVu

We are pleased to announce that InPayTech is close to finalising an Accounts Payable Integration Agreement with Xero. Once completed this will enhance PayVu's ability to deliver a complete and scalable accounts payable solution to PayVu customers who are Xero bookkeepers and accountants. Furthermore, completing a partner API integration with Xero increases the speed and reliability of PayVu for new and existing PayVu customers. PayVu is being further refined to streamline the registration and onboarding to simplify the process for bookkeepers and to enable business owners to complete registration from their smart phones. Finally, to enhance the customer experience, PayVu is being updated to ensure all customers can easily know where they are in the payment process at all times.

It is expected that the planned API integration will facilitate an increase of new PayVu sales.

External Validation of Core Competencies

InPayTech's continued compliance with ISO 27001 was successfully audited during January and demonstrates InPayTech's ability to maintain an effective Information Security Management System to

international standards. The ISAE 3402 SOC2 compliance audit will commence in March showcasing InPayTech's service delivery commitment and customer assurance program.

Unaudited Financial Results

Attached is the unaudited consolidated Profit/(Loss) for the 6 months ending 31 December 2019.

Please note that the financial results shown in this release have not been audited and may be subject to change once the auditor's review has been completed.

Authorised by:



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Investors should be aware that certain financial measures included in this announcement are 'non-IFRS financial information' under ASIC Regulatory Guide 230: 'Disclosing non-IFRS financial information' published by ASIC and also 'non-GAAP financial measures' within the meaning of Regulation G under the U.S. Securities Exchange Act of 1934, as amended, and are not recognised under Australian Accounting Standards (AAS) and International Financial Reporting Standards (IFRS). The non-IFRS financial information / non-GAAP financial measures include EBITDA and EBIT. The Company believes the non-IFRS financial information / non-GAAP measures provide useful information to users in measuring the financial performance and conditions of the Company. The non-IFRS financial information / non-GAAP financial measures do not have a standardised meaning prescribed by AAS or IFRS. Therefore, the non-IFRS financial information is not a measure of financial performance, liquidity or value under the IFRS and may not be comparable to similarly titled measures presented by other entities, and should not be construed as an alternative to other financial measures determined in accordance with AAS or IFRS. Investors are cautioned, therefore, not to place undue reliance on any non-IFRS financial information / non-GAAP financial measures included in this presentation.

Consolidated Profit/(Loss) for the 6 months ending 31 December 2019

	QE	QE	YTD
	30/09/2019	31/12/2019	31/12/2019
	\$	\$	\$
Revenue	377,064	362,297	739,361
Other Income	16,916	16,916	33,832
Cost of sales	-106,969	-104,384	-211,353
Gross profit	287,011	274,819	561,840
Operating expenses	-262,893	-207,028	-496,921
Operating profit	24,118	67,801	91,919
Interest	3,644	180	3,824
Corporate overheads	-468,301	-435,922	-904,223
	-464,657	-435,742	-900,399
EBITDA	-440,539	-367,941	-808,480
Non-cash expenses			
Depreciations	-315,717	-315,717	-631,434
Impairment Expense	0	0	0
Tax (expense)/benefit	70,450	70,450	140,900
Cost of Options	-106,769	-106,769	-213,538
	-352,036	-352,036	-704,072
Net profit/(loss) for the period	-792,575	-719,977	-1,512,552

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